

# memorandum

date January 14, 2009

to Chehalis River Basin Flood Authority

from ESA Adolfson

subject Flood District Formation

Over the past several months, the Flood Authority has held work sessions to discuss the issue of governance and finance. On November 19, 2009, the Flood Authority discussed the two different options for a flood district – a Flood Control District and a Flood Control Zone District. On December 17, John Ghilarducci of FCS group presented more information to the Authority on Flood Control Zone Districts. ESA Adolfson recognizes that the Flood Authority is not prepared to make a decision on which type of flood district to pursue, and that the decision must be made in collaboration with the Board of County Commissioners of the three Counties, the Chehalis Tribe, and the legislative bodies of the other Authority members. However, ESA Adolfson recommends that the Flood Authority maintain its momentum and move forward on this issue.

Assuming the proposed supplemental budget proposed in the Governor's budget will pass, the Flood Authority may have funds as early as March. (With a 60 day legislative session and the emergency clause in the reappropriation request, the funds could be available at the end of the session). ESA Adolfson recommends that the Flood Authority use funds identified in the supplemental budget for flood district formation to hire a firm with expertise in district formation.

We are recommending that the Authority issue a Request for Proposals (RFP) or Request for Qualifications (RFQ) for a firm to help the Authority through the entire process, from determining the best form of governance and finance to organizing and forming the legal entity. This would be a staged contract with distinct deliverables. In the first phase, the firm would design a strategy and process to compare alternative forms of governance and finance (e.g., Flood Control Districts and Flood Control Zone Districts), working with all interested parties (including the public) to make a decision on the desired form of governance. In the second phase, the firm would design and carry out a strategy and process to organize and form the legal entity.

## Recommended next steps:

1. At the January 21 Flood Authority meeting, authorize ESA Adolfson and the Board Advisory Committee to prepare an RFP or RFQ for Authority review in February.
2. At the February 18 Flood Authority meeting, review and authorize the proposed RFP or RFQ. Ask the BAC and ESA Adolfson to review the firms that respond and bring a recommendation to the Flood Authority.
3. Select a qualified firm and begin work on district formation.